



On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

## American Recovery and Reinvestment Act Report, Gaston County

Gaston County received more than \$350 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Gaston County total.



**Pell Grant Awards:**  
**4,282**



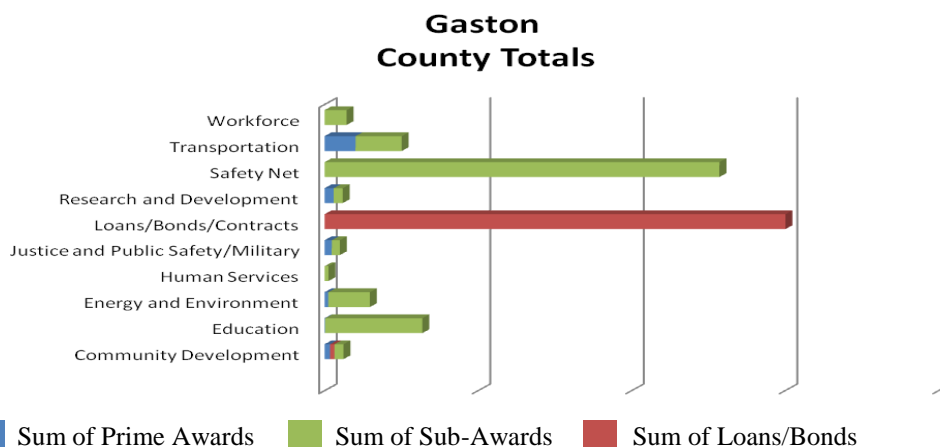
**Small Business Jobs:**  
**142**



**Appliances rebated:**  
**482**



**Family homes financed:**  
**259**



**Gaston County,**  
pop 206,086 at a glance:

**Recovery Act Totals:**  
Grants: \$ 199,400,292.37  
Loans: \$ 35,858,977  
Bonds: \$ 116,005,000

**Total: \$350,991,269.37**



## Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

**Gaston County schools** received \$41.5 million in education funding, including \$7.5 million in Special Education funds, \$6.5 million in Title I funds, \$17.5 million in SFSF funds, and \$4 million in Race to the Top funding.

Pell Grants are an educational Assistance Program that provides grants to eligible students to receive post-secondary or vocational training. Because Pell Grants are not student loans, they allow students to receive financial assistance to further education and training without incurring additional debt. The American Recovery and Reinvestment Act increased the eligibility and the maximum amount of Pell Grants in 2009 and 2010 as a way to encourage educational opportunities, and to provide a way for eligible applicants to gain new job skills.

**Gaston County** institutions had 4,282 students funded by Pell Grants; these grants were worth more than \$5.5 million.



## Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

**In Gaston County**, 259 families received assistance through this program totaling more than \$29.5 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office

reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

**Gaston County** retailers sold 482 appliances through the Energy Star Appliance rebate program.



## Small Business Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

**In Gaston County** 16 small businesses received SBA loan guarantees worth \$4.3 million. According to the small businesses receiving these loans, the Recovery Act saved or created 142 jobs.



## CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

**In Gaston County**, car dealers sold 528 cars worth \$11 million through the ARRA CARS program.



## Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

**In Gaston County**, the Gaston County government received a \$500,000 JAG program grant.

The COPS (Community Oriented Policing Services) awards grants to law enforcement agencies to hire and train community policing professionals, acquire and deploy cutting-edge crime-fighting technologies, and develop and test innovative policing strategies. COPS funding also provides training and technical assistance to community members and local government leaders and all levels of law. In order to help leverage the efficiency of these programs Governor Perdue set aside additional funding to help pay for uniforms and equipment for local governments who have new COPS funded positions.

**In Gaston County**, the City of Gastonia had 8 officers were funded through COPS Grants. This award was worth more than \$1 million. In addition, Gastonia received \$32,000 to fund equipment for these officers from the Governor's Crime Commission



## Environment and Natural Resources Programs

ARRA funded several programs to protect the environment, or to develop natural resources more efficiently. These programs ranged from environmental clean-up, such as leaking underground storage tank abatement and Brownfields programs, to EPA clean air grants, wildfire prevention grants, and revolving funds to build, expand, or overhaul existing water and sewer programs. These programs provided nearly \$150 million across North Carolina.

**In Gaston County**, the City of Gastonia, Bessemer City, and the Town of Cramerton received water and sewer grants worth more than \$750,000.



## Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

**In Gaston County**, the Gaston County Government received a SEP grant of \$200,000 to complete a landfill gas-to-energy project to harvest methane from the Gaston County Solid Waste Landfill in Dallas. Gaston County Schools received an EECBG award of \$169,200 to upgrade heating and air conditioning systems and add system controls for Stanley Middle School and North Gaston High School. Gastonia, Cherryville, Dallas, and Mount Holly received \$300,000 for energy efficiency upgrades. The Schiele Museum received a SEP grant of \$60,000 for photovoltaic solar systems to be installed in two locations at the Schiele Museum in Gastonia. Daimler Trucks North America, in Rowan and Gaston counties received an SEP grant of \$450,000 to replace 2,250 high intensity lights at its Cleveland plant and 285 high intensity lights at its Mt. Holly plant with more efficient fluorescent fixtures. Total cost of the project is \$937,918.



## Military Programs

The American Recovery and Reinvestment Act included approximately \$7.4 billion in defense-related appropriations. This includes funding for all service areas and the Army Corps of Engineers. Recovery Act funding addressed some of the unique economic pressures faced by American service members because of their voluntary commitment to serve our nation. The Recovery Act included assistance to service members, upgrades aimed to improve the quality of life for troops and their families, funded three new facilities, and two new VA hospitals in North Carolina, addressing critical needs across the state. In addition to providing much needed facility improvements, this bill also provides more funding for our energy research programs, so that Department of Defense (DOD) can continue to lead the way in the national effort to achieve greater energy independence. North Carolina had 103 military projects funded for a total of \$166 million.

**In Gaston County**, the Department of the Army awarded a \$750,000 grant for the construction of an Administrative Building, and a Metal Storage Building and Parking Area at the Gastonia Readiness Center due to Army Force Modularity changes to the Force Structure.



## Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

**Gaston County** residents received more than \$102 million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$15 million in SNAP benefit increases, and \$10 million in one-time payments of \$250 to social security recipients.

**Gaston** County received more than \$241,000 for Head Start Programs.



## Gaston County Feature Story

### Gaston County uses Recovery Opportunity to Build Stuart Cramer High School

The American Recovery and Reinvestment Act placed a special emphasis on infrastructure projects as a way to immediately impact jobs in the engineering and construction sectors, and as a way to make important, lasting impact in communities. There were several mechanisms for this type of investment, additional funding for the USDA's Community Facilities program, additional funding for water and sewer programs in states, special competitive grant programs for high-demand bridge and road projects, and a historic high-speed rail program to connect large metropolitan areas, to name a few.

The Recovery Act also established several new bond programs with zero or very low interest to allow state, local, and private entities to design construction and renovation projects at the ground level where these projects would have the most impact on a local economy. The 'Build America Bonds' were available to local governments, or industries partnered with local governments, to provide low cost capacity for new or renovated facilities.

These bond programs gave the green light to many long-awaited projects across the state, including the development of new libraries, hospital facilities, recreational facilities, the construction of new schools, highways, water systems, and improvements to a host of critical infrastructure. North Carolina entities used more than \$3 billion in Recovery Act bond capacity.

In Gaston County, the Build American Bonds provided the opportunity to build a much-needed High School. In 2007 Gaston County voters approved a \$175 million bond referendum for new school construction. Overcrowding at East Gaston High School necessitated making the design and construction of a new school the top priority.

Gaston County used \$58 million in Build America Bond capacity to finance the project. The site for the new School is the former location of the Lakewood Golf Course. Ninety-nine acres east of Lakewood Road will be used by the new high school with the remaining 39 acres west of Lakewood set aside for future use.



The new Stuart W. Cramer High School will be a 268,000 square foot three story building that will be home 1,200 new students in grades 9-12. The campus will host a 1,500 seat auditorium, a 1,500 seat gymnasium, and a 3,000 seat stadium. 55 acres surrounding the school will be open, with more than 2 miles of on-site walking trails.

Groundbreaking on the project occurred on September 21, 2010, and the construction of the new school is scheduled to be completed by mid-2013.

## Appendix, Gaston County breakout

Federal Agency	Program Title	Recipient name	Recipient role <sup>i</sup>	Prime Amount <sup>ii</sup>	Unique Sub Awards <sup>iii</sup>	Loans	Additional Economic Activity (not counted toward totals) <sup>iv</sup>
	Bonds		P			\$40,200,000.00	
		Gaston County	P			\$58,000,000.00	
		Gastonia	P			\$17,805,000.00	
	Cash for Clunkers		S		\$2,231,500.00		
	Federal Pell Grant Program	Belmont Abbey College	P				
		Carolina Academy Of Cosmetic Art & Science	P				
		Gaston College	P				
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$29,789,477.00	
<b>Administration for Children and Families</b>	ARRA - Child Care and Development Block Grant	Gaston, County of	S	\$0.00	\$1,184,389.40	\$0.00	
	ARRA - Head Start	Gaston Community Action, Inc.	P	\$241,450.00		\$0.00	\$241,450.00
<b>Centers for Disease Control and Prevention</b>	ARRA - Immunization	Gaston, County of	S	\$0.00	\$88,069.00	\$0.00	
<b>Department of Agriculture</b>	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$15,831,199.90		
<b>Department of Energy</b>	Energy Efficiency and Conservation Block Grant Program (EECBG)	Cherryville, City Of	S	\$0.00		\$0.00	\$42,493.00
		Dallas, Town Of	S	\$0.00		\$0.00	\$7,798.00
		Gaston County School District	S	\$0.00		\$0.00	\$169,200.00
		Gaston, County of	P	\$525,600.00		\$0.00	\$525,600.00
		Gastonia, City Of	P	\$705,700.00		\$0.00	\$705,700.00
		Mount Holly, City Of	S	\$0.00		\$0.00	\$7,184.00
	Weatherization Assistance for Low-Income Persons	Gaston Community Action, Inc.	S	\$0.00	\$8,249,260.00	\$0.00	
<b>Department of Health and Human Services</b>	Aging Congregate Nutrition Services for States	Gaston County DSS	SV	\$0.00	\$0.00	\$0.00	

	Aging Home-Delivered Nutrition Services for States	Gaston County DSS	SV	\$0.00	\$0.00	\$0.00
<b>Department of Housing and Urban Development</b>	Community Development Block Grants - Entitlement	Gastonia, City Of	P	\$171,503.00		\$0.00 \$171,503.00
	Public Housing Capital Fund Formula (Recovery Act Funded)	Belmont Housing Authority	P	\$117,112.00		\$0.00 \$117,112.00
		Gastonia Housing Authority (Inc)	P	\$930,235.00		\$0.00 \$930,235.00
		Mount Holly, City Of	P	\$93,801.00		\$0.00 \$93,801.00
<b>Department of Justice</b>	Public Safety Partnership and Community Policing Grants	Gastonia, City Of	P	\$1,038,960.00		\$0.00 \$1,038,960.00
	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	Gaston, County of	P	\$563,645.00		\$0.00 \$563,645.00
		Lawmen's Safety Supply Inc	PV	\$0.00		\$0.00 \$29,982.11
			SV	\$0.00		\$0.00 \$8,587.43
		Market Space Solutions	PV	\$0.00		\$0.00 \$26,703.00
		Stoptech	SV	\$0.00		\$0.00 \$4,848.50
		The Carolina Hunter	SV	\$0.00		\$0.00 \$2,100.00
	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	Gastonia, City Of	S	\$0.00	\$32,000.00	\$0.00
	Violence Against Women Formula Grants	Gaston, County of	S	\$0.00	\$211,051.52	\$0.00
<b>Department of Labor</b>	Unemployment Insurance	Multiple Individuals	S	\$102,724,868.27		
<b>Department of the Army</b>	National Guard Military Operations and Maintenance (O&M) Projects	Crime Control And Public Safety, North Carolina Department Of	P	\$750,000.00		\$0.00 \$750,000.00
	Recovery Act of 2009: Capital Improvement	Perry Bartsch Jr. Construction Company	P	\$471,937.50	\$0.00	\$0.00



	and Maintenance						
<b>DOD</b>							
<b>Environmental Protection Agency</b>	Capitalization Grants for Clean Water State Revolving Funds	Gastonia, City Of	S	\$0.00	\$159,077.00	\$0.00	
	Capitalization Grants for Drinking Water State Revolving Funds	City Hall Of Bessemer City	S	\$0.00	\$95,374.00	\$0.00	
		Cramerton, Town Of	S	\$0.00	\$495,227.00	\$0.00	
<b>Federal Highway Administration</b>	Highway Planning and Construction	Blythe Development Company	PV	\$0.00		\$0.00	\$366,719.42
		Davis Grading, Inc.	PV	\$0.00		\$0.00	\$3,083,409.29
		Ingle And Son Landscaping	PV	\$0.00		\$0.00	\$65,713.88
		North Carolina Department Of Transportation	P	\$5,450,259.00		\$0.00	\$5,450,259.00
				\$1,007,108.00		\$0.00	\$1,007,108.00
				\$92,000.00		\$0.00	\$92,000.00
				\$850,000.00		\$0.00	\$850,000.00
				\$617,097.00		\$0.00	\$617,097.00
		Rea Contracting, LLC	PV	\$0.00		\$0.00	\$930,290.67
		TCB Builders, LLC	PV	\$0.00		\$0.00	\$497,558.45
<b>Federal Transit Administration</b>	Federal Transit_Formula Grants	Gastonia, City Of	P	\$2,083,715.00		\$0.00	\$2,083,715.00
<b>Food and Nutrition Service</b>	Child Nutrition Discretionary Grants Limited Availability	Gaston County School District	S	\$0.00	\$95,051.28	\$0.00	
<b>Health Resources and Services Administration</b>	ARRA - Grants to Health Center Programs	Gaston Family Health Services Inc	P	\$1,177,150.00		\$0.00	\$1,177,150.00
				\$1,300,000.00		\$0.00	\$1,300,000.00
				\$499,910.00		\$0.00	\$499,910.00
<b>Idaho Operations Office</b>	Energy Efficient Appliance Rebate Program (EEARP)		P			\$0.00	\$83,484.20
<b>National Energy Technology Laboratory</b>	State Energy Program	Daimler Trucks North America LLC	S	\$0.00	\$450,000.00	\$0.00	
		Gastonia, City Of	S	\$0.00	\$257,227.00	\$0.00	
		Schiele Museum Of Natural History & Planetarium Inc	S	\$0.00	\$60,000.00	\$0.00	
<b>Office of Elementary and Secondary Education</b>	Education for Homeless Children and Youth, Recovery	Gaston County School District	S	\$0.00	\$27,103.00	\$0.00	

Act						
	Education Technology State Grants, Recovery Act	Gaston County School District	S	\$0.00	\$162,536.00	\$0.00
	School Improvement Grants, Recovery Act	Gaston County School District	S	\$0.00	\$2,312,198.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Gaston College	S	\$0.00	\$1,048,196.32	\$0.00
		Gaston Community Action, Inc.	S	\$0.00	\$42,509.00	\$0.00
		Gaston County School District	S	\$0.00	\$15,890,974.00	\$0.00
		Piedmont Community Charter School, Inc	S	\$0.00	\$458,995.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Gaston College Preparatory	S	\$0.00	\$60,955.00	\$0.00
		Gaston County School District	S	\$0.00	\$4,296,940.00	\$0.00
		Piedmont Community Charter School, Inc	S	\$0.00	\$28,019.00	\$0.00
	Title I Grants to Local Educational Agencies, Recovery Act	Gaston Community Action, Inc.	S	\$0.00	\$27,442.00	\$0.00
		Gaston County School District	S	\$0.00	\$6,626,998.00	\$0.00
		Piedmont Community Charter School, Inc	S	\$0.00	\$37,396.00	\$0.00
Office of Special Education and Rehabilitative Services	Special Education - Preschool Grants, Recovery Act	Gaston County School District	S	\$0.00	\$275,512.00	\$0.00
	Special Education Grants to States, Recovery Act	Gaston Community Action, Inc.	S	\$0.00	\$21,013.64	\$0.00
		Gaston County School District	S	\$0.00	\$6,998,908.54	\$0.00
		Piedmont Community Charter School, Inc	S	\$0.00	\$153,620.00	\$0.00

<b>Rural Housing Service</b>	Community Facilities Loans and Grants	Cramerton, Town Of	P	\$0.00	\$1,440,000.00	\$1,440,000.00
<b>Small Business Administration</b>	Loans	Amber Jack Seafood	L		\$570,000.00	
		Child Development Inc.	L		\$386,000.00	
		Comprehensive Digestive Health	L		\$197,000.00	
		Curnow Media Partners Inc	L		\$108,000.00	
		Dr. Jason R. Nelsen PLLC	L		\$627,000.00	
		Dremac Inc	L		\$150,000.00	
		First Class Kennels	L		\$1,059,000.00	
		Ladybug Emporium LLC	L		\$5,000.00	
		Lake Wylie Express Care Pc	L		\$597,000.00	
		Molloy's Masonry, LLC	L		\$20,000.00	
		Our Kids Learning Center, Inc.	L		\$10,000.00	
		S & B Concessions LLC	L		\$15,000.00	
		The String Bean Corporation	L		\$600,000.00	
		Timothy C Snyder Dds Md	L		\$12,500.00	
<b>SSA</b>	Social Security Economic Recovery Act Payments	Multiple Individuals	P	\$10,079,500.00		
<b>Grand Total</b>				\$18,687,182.50	\$180,713,109.87	\$151,590,977.00
						\$24,981,316.95

<sup>i</sup> Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

<sup>ii</sup> Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to [www.federalreporting.gov](http://www.federalreporting.gov)

<sup>iii</sup> Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

<sup>iv</sup> Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.